

Online platform collects USD 20 million to boost live seafood trade

Shanghai-based ecommerce platform [Gfresh](#) is building a mobile marketplace and logistics service to help industry players buy, sell and transport live seafood as efficiently as possible throughout and beyond China.

The firm's cofounder Anthony Wan informed that to carry out its goal, the company has raised a Series A round of venture funding of approximately USD 20 million from Riverhill Fund, an Alibaba affiliated venture firm, and Legend Capital, an early backer of the Chinese social media platform RenRen.

Gfresh asks users to list their inventory, with notes about origin, species and quality of their catch, and set a list price. The suppliers see aggregate pricing and demand data which can guide them in establishing a price.

When a buyer purchases live seafood through Gfresh, the company takes their payment into an escrow, or GPay, account.

For smaller shipments, Gfresh batches boxes together, and exports them in a shared container, handling all the appropriate customs and health-related paperwork in disparate markets.

When the live products arrive, Gfresh picks them up at a given port or airport in a refrigerated truck and delivers the live seafood orders to wholesale buyers' doors, where a company inspector takes a video at the time the order is received.

The idea is to record any potential issues, for example, a certain number of dead lobsters in a crate, or low levels of seawater in a shipment of swim bladder, a luxury fish.

When there are problems with a shipment, Gfresh discounts the buyers and pays out the rest to the sellers according to pre-arranged terms. Eventually, Gfresh expects buyers will be comfortable recording their own videos via smartphones or tablets for quality control purposes.

"While marketplaces and apps have already transformed the way you can book a hotel room, or buy shoes, the seafood industry was still run on handshakes and faxes until we built this," Wan stressed.

"Let's take oysters, for example," he said. "People eat it raw, so its freshness makes a massive difference — actually in whether or not you get sick. In the old days, a batch of B.C. oysters would be transferred to the tanks of different exporters and agencies along the way, but it only has a

shelf life of about seven days. This is the closest that a consumer in Asia can get to eating a fresh B.C. oyster without standing next to the ocean in British Columbia.”

According to the company’s statistics, the website now accounts for 70 per cent of the market for B.C. Dungeness crabs in Shanghai; fresh salmon from the site, meanwhile, already makes up 20 per cent of the market in China’s largest city, three months after being introduced. In total, about USD 268 million in seafood — from markets such as Canada and Australia — has passed through Gfresh’s portal in the last two years.

The company has offices in massive seafood production hubs, including Auckland and Sydney, Australia, and Vancouver, Canada.

In the future, the online platform intends to make its services and app available outside Asia, and to expand it to address other industries with highly perishable, hard-to-ship inventory, like fresh, if not living, fish and fruit.

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